

the Ensuring Continued Access to Student Loans Act of 2008 [Pub. L. 110-227].”]

ESTABLISHMENT OF SEPARATE SYSTEMS OF NEED ANALYSIS FOR ACADEMIC YEARS 1983-1984 THROUGH 1987-1988

Pub. L. 97-301, § 4, Oct. 13, 1982, 96 Stat. 1400, as amended by Pub. L. 98-79, § 4(a), Aug. 15, 1983, 97 Stat. 480; Pub. L. 98-511, title VII, § 707(3), Oct. 19, 1984, 98 Stat. 2407; Pub. L. 99-498, title IV, § 408(a)(1), Oct. 17, 1986, 100 Stat. 1495, which required Secretary of Education to establish or approve separate systems of need analysis for the academic years 1983-1984, 1984-1985, 1985-1986, 1986-1987, and 1987-1988 for the programs authorized under subpart 2 [now 3] of part A [20 U.S.C. 1070b et seq.], part C [20 U.S.C. 1087-51 et seq.], and part E [20 U.S.C. 1087aa et seq.] of title IV of the Higher Education Act of 1965, was repealed by Pub. L. 99-498, title IV, § 408(b), Oct. 17, 1986, 100 Stat. 1495, eff. with respect to any academic year beginning on or after July 1, 1988.

DETERMINATION OF INDEPENDENT STUDENT STATUS FOR ACADEMIC YEARS 1982-1983 THROUGH 1987-1988

Pub. L. 97-301, § 6, Oct. 13, 1982, 96 Stat. 1400, as amended by Pub. L. 98-79, § 4(a), Aug. 15, 1983, 97 Stat. 481; Pub. L. 98-516, title VII, § 707(3), Oct. 19, 1984, 98 Stat. 2407; Pub. L. 99-498, title IV, § 408(a)(1), Oct. 17, 1986, 100 Stat. 1495, which provided that notwithstanding any rule or regulation, the criteria for the determination of independent student status, prescribed under subsec. (c)(2) of this section, in effect for academic year 1982-1983, was to be the criteria for such determinations for each of the academic years 1983-1984, 1984-1985, 1985-1986, 1986-1987, and 1987-1988, was repealed by Pub. L. 99-498, title IV, § 408(b), Oct. 17, 1986, 100 Stat. 1495, eff. with respect to any academic year beginning on or after July 1, 1988.

§ 1090. Forms and regulations

(a) Common financial aid form development and processing

(1) In general

The Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance, shall produce, distribute, and process free of charge common financial reporting forms as described in this subsection to be used for application and reapplication to determine the need and eligibility of a student for financial assistance under parts A through E (other than under subpart 4 of part A). The forms shall be made available to applicants in both paper and electronic formats and shall be referred to as the “Free Application for Federal Student Aid” or the “FAFSA”. The Secretary shall work to make the FAFSA consumer-friendly and to make questions on the FAFSA easy for students and families to read and understand, and shall ensure that the FAFSA is available in formats accessible to individuals with disabilities.

(2) Paper format

(A) In general

The Secretary shall develop, make available, and process—

- (i) a paper version of EZ FAFSA, as described in subparagraph (B); and
- (ii) a paper version of the other forms described in this subsection, in accordance with subparagraph (C), for any applicant who does not meet the requirements of or does not wish to use the process described in subparagraph (B).

(B) EZ FAFSA

(i) In general

The Secretary shall develop and use, after appropriate field testing, a simplified paper form, to be known as the EZ FAFSA, to be used for applicants meeting the requirements of subsection (b) or (c) of section 1087ss of this title.

(ii) Reduced data requirements

The EZ FAFSA shall permit an applicant to submit, for financial assistance purposes, only the data elements required to make a determination of whether the applicant meets the requirements under subsection (b) or (c) of section 1087ss of this title.

(iii) State data

The Secretary shall include on the EZ FAFSA such data items as may be necessary to award State financial assistance, as provided under paragraph (5), except that the Secretary shall not include a State's data if that State does not permit the State's resident applicants to use the EZ FAFSA for State assistance.

(iv) Free availability and processing

The provisions of paragraph (6) shall apply to the EZ FAFSA, and the data collected by means of the EZ FAFSA shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (10).

(C) Promoting the use of electronic FAFSA

(i) In general

The Secretary shall make all efforts to encourage all applicants to utilize the electronic version of the forms described in paragraph (3).

(ii) Maintenance of the FAFSA in a printable electronic file

The Secretary shall maintain a version of the paper forms described in subparagraphs (A) and (B) in a printable electronic file that is easily portable, accessible, and downloadable to students on the same website used to provide students with the electronic version of the forms described in paragraph (3).

(iii) Requests for printed copy

The Secretary shall provide a printed copy of the full paper version of FAFSA upon request.

(iv) Reporting requirement

The Secretary shall maintain data, and periodically report to Congress, on the impact of the digital divide on students completing applications for aid under this subchapter. The Secretary shall report on the steps taken to eliminate the digital divide and reduce production of the paper form described in subparagraph (A). The Secretary's report shall specifically address the impact of the digital divide on the following student populations:

- (I) Independent students.

(II) Traditionally underrepresented students.

(III) Dependent students.

(3) Electronic format

(A) In general

The Secretary shall produce, distribute, and process forms in electronic format to meet the requirements of paragraph (1). The Secretary shall develop an electronic version of the forms for applicants who do not meet the requirements of subsection (b) or (c) of section 1087ss of this title.

(B) Simplified applications: FAFSA on the web

(i) In general

The Secretary shall develop and use a simplified electronic version of the form to be used by applicants meeting the requirements under subsection (b) or (c) of section 1087ss of this title.

(ii) Reduced data requirements

The simplified electronic version of the forms shall permit an applicant to submit, for financial assistance purposes, only the data elements required to make a determination of whether the applicant meets the requirements under subsection (b) or (c) of section 1087ss of this title.

(iii) Use of forms

Nothing in this subsection shall be construed to prohibit the use of the forms developed by the Secretary pursuant to this paragraph by an eligible institution, eligible lender, guaranty agency, State grant agency, private computer software provider, a consortium thereof, or such other entities as the Secretary may designate.

(C) State data

The Secretary shall include on the electronic version of the forms such items as may be necessary to determine eligibility for State financial assistance, as provided under paragraph (5), except that the Secretary shall not require an applicant to enter data pursuant to this subparagraph that are required by any State other than the applicant's State of residence.

(D) Availability and processing

The data collected by means of the simplified electronic version of the forms shall be available to institutions of higher education, guaranty agencies, and States in accordance with paragraph (10).

(E) Privacy

The Secretary shall ensure that data collection under this paragraph complies with section 552a of title 5 and that any entity using the electronic version of the forms developed by the Secretary pursuant to this paragraph shall maintain reasonable and appropriate administrative, technical, and physical safeguards to ensure the integrity and confidentiality of the information, and to protect against security threats, or unauthorized uses or disclosures of the information provided on the electronic version of

the forms. Data collected by such electronic version of the forms shall be used only for the application, award, and administration of aid awarded under this subchapter, State aid, or aid awarded by eligible institutions or such entities as the Secretary may designate. No data collected by such electronic version of the forms shall be used for making final aid awards under this subchapter until such data have been processed by the Secretary or a contractor or designee of the Secretary, except as may be permitted under this subchapter.

(F) Signature

Notwithstanding any other provision of this chapter, the Secretary may continue to permit an electronic version of the form under this paragraph to be submitted without a signature, if a signature is subsequently submitted by the applicant or if the applicant uses a personal identification number provided by the Secretary under subparagraph (G).

(G) Personal identification numbers authorized

The Secretary may continue to assign to an applicant a personal identification number—

(i) to enable the applicant to use such number as a signature for purposes of completing an electronic version of a form developed under this paragraph; and

(ii) for any purpose determined by the Secretary to enable the Secretary to carry out this subchapter.

(H) Personal identification number improvement

The Secretary shall continue to work with the Commissioner of Social Security to minimize the time required for an applicant to obtain a personal identification number when applying for aid under this subchapter through an electronic version of a form developed under this paragraph.

(4) Streamlining

(A) Streamlined reapplication process

(i) In general

The Secretary shall continue to streamline reapplication forms and processes for an applicant who applies for financial assistance under this subchapter in the next succeeding academic year subsequent to an academic year for which such applicant applied for financial assistance under this subchapter.

(ii) Updating of data elements

The Secretary shall determine, in cooperation with States, institutions of higher education, agencies, and organizations involved in student financial assistance, the data elements that may be transferred from the previous academic year's application and those data elements that shall be updated.

(iii) Reduced data authorized

Nothing in this subchapter shall be construed as limiting the authority of the

Secretary to reduce the number of data elements required of reapplicants.

(iv) Zero family contribution

Applicants determined to have a zero family contribution pursuant to section 1087ss(c) of this title shall not be required to provide any financial data in a re-application form, except data that are necessary to determine eligibility under such section.

(B) Reduction of data elements

(i) Reduction encouraged

Of the number of data elements on the FAFSA used for the 2009–2010 award year, the Secretary, in cooperation with representatives of agencies and organizations involved in student financial assistance and consistent with efforts under subsection (c), shall continue to reduce the number of such data elements required to be entered by all applicants, with the goal of reducing such number by 50 percent.

(ii) Report

The Secretary shall submit a report on the process of this reduction to each of the authorizing committees by June 30, 2011.

(5) State requirements

(A) In general

Except as provided in paragraphs (2)(B)(iii), (3)(B), and (4)(A)(ii), the Secretary shall include on the forms developed under this subsection, such State-specific data items as the Secretary determines are necessary to meet State requirements for need-based State aid. Such items shall be selected in consultation with State agencies in order to assist in the awarding of State financial assistance in accordance with the terms of this subsection. The number of such data items shall not be less than the number included on the form for the 2008–2009 award year unless a State notifies the Secretary that the State no longer requires those data items for the distribution of State need-based aid.

(B) Annual review

The Secretary shall conduct an annual review to determine—

- (i) which data items each State requires to award need-based State aid; and
- (ii) if the State will permit an applicant to file a form described in paragraph (2)(B) or (3)(B).

(C) Federal Register notice

Beginning with the forms developed under paragraphs (2)(B) and (3)(B) for the award year 2010–2011, the Secretary shall publish on an annual basis a notice in the Federal Register requiring State agencies to inform the Secretary—

- (i) if the State agency is unable to permit applicants to utilize the simplified forms described in paragraphs (2)(B) and (3)(B); and
- (ii) if the State-specific nonfinancial data that the State agency requires for delivery of State need-based financial aid.

(D) Use of simplified forms encouraged

The Secretary shall encourage States to take such steps as are necessary to encourage the use of simplified forms under this subsection, including those forms described in paragraphs (2)(B) and (3)(B), for applicants who meet the requirements of subsection (b) or (c) of section 1087ss of this title.

(E) Consequences if State does not accept simplified forms

If a State does not permit an applicant to file a form described in paragraph (2)(B) or (3)(B) for purposes of determining eligibility for State need-based financial aid, the Secretary may determine that State-specific questions for such State will not be included on a form described in paragraph (2)(B) or (3)(B). If the Secretary makes such determination, the Secretary shall advise the State of the Secretary's determination.

(F) Lack of State response to request for information

If a State does not respond to the Secretary's request for information under subparagraph (B), the Secretary shall—

- (i) permit residents of that State to complete simplified forms under paragraphs (2)(B) and (3)(B); and
- (ii) not require any resident of such State to complete any data items previously required by that State under this section.

(G) Restriction

The Secretary shall, to the extent practicable, not require applicants to complete any financial or nonfinancial data items that are not required—

- (i) by the applicant's State; or
- (ii) by the Secretary.

(6) Charges to students and parents for use of forms prohibited

The need and eligibility of a student for financial assistance under parts A through E (other than under subpart 4 of part A) may be determined only by using a form developed by the Secretary under this subsection. Such forms shall be produced, distributed, and processed by the Secretary, and no parent or student shall be charged a fee by the Secretary, a contractor, a third-party servicer or private software provider, or any other public or private entity for the collection, processing, or delivery of financial aid through the use of such forms. No data collected on a form for which a fee is charged shall be used to complete the form prescribed under this section, except that a Federal or State income tax form prepared by a paid income tax preparer or preparer service for the primary purpose of filing a Federal or State income tax return may be used to complete the form prescribed under this section.

(7) Restrictions on use of PIN

No person, commercial entity, or other entity may request, obtain, or utilize an applicant's personal identification number assigned under paragraph (3)(G) for purposes of submit-

ting a form developed under this subsection on an applicant's behalf.

(8) Application processing cycle

The Secretary shall enable students to submit forms developed under this subsection and initiate the processing of such forms under this subsection, as early as practicable prior to January 1 of the student's planned year of enrollment.

(9) Early estimates

The Secretary shall continue to—

(A) permit applicants to enter data in such forms as described in this subsection in the years prior to enrollment in order to obtain a non-binding estimate of the applicant's family contribution (as defined in section 1087mm of this title);

(B) permit applicants to update information submitted on forms described in this subsection, without needing to re-enter previously submitted information;

(C) develop a means to inform applicants, in the years prior to enrollment, of student aid options for individuals in similar financial situations;

(D) develop a means to provide a clear and conspicuous notice that the applicant's expected family contribution is subject to change and may not reflect the final expected family contribution used to determine Federal student financial aid award amounts under this subchapter; and

(E) consult with representatives of States, institutions of higher education, and other individuals with experience or expertise in student financial assistance application processes in making updates to forms used to provide early estimates under this paragraph.

(10) Distribution of data

Institutions of higher education, guaranty agencies, and States shall receive, without charge, the data collected by the Secretary using a form developed under this subsection for the purposes of processing loan applications and determining need and eligibility for institutional and State financial aid awards. Entities designated by institutions of higher education, guaranty agencies, or States to receive such data shall be subject to all the requirements of this section, unless such requirements are waived by the Secretary.

(11) Third party servicers and private software providers

To the extent practicable and in a timely manner, the Secretary shall provide, to private organizations and consortia that develop software used by institutions of higher education for the administration of funds under this subchapter, all the necessary specifications that the organizations and consortia must meet for the software the organizations and consortia develop, produce, and distribute (including any diskette, modem, or network communications) to be so used. The specifications shall contain record layouts for required data. The Secretary shall develop in advance of each processing cycle an annual schedule

for providing such specifications. The Secretary, to the extent practicable, shall use multiple means of providing such specifications, including conferences and other meetings, outreach, and technical support mechanisms (such as training and printed reference materials). The Secretary shall, from time to time, solicit from such organizations and consortia means of improving the support provided by the Secretary.

(12) Parent's social security number and birth date

The Secretary is authorized to include space on the forms developed under this subsection for the social security number and birth date of parents of dependent students seeking financial assistance under this subchapter.

(b) Information to committees of Congress

Copies of all rules, regulations, guidelines, instructions, and application forms published or promulgated pursuant to this subchapter shall be provided to the authorizing committees at least 45 days prior to their effective date.

(c) Toll-free information

The Secretary shall contract for, or establish, and publicize a toll-free telephone service to provide timely and accurate information to the general public. The information provided shall include specific instructions on completing the application form for assistance under this subchapter. Such service shall also include a service accessible by telecommunications devices for the deaf (TDD's) and shall, in addition to the services provided for in the previous sentence, refer such students to the national clearinghouse on postsecondary education or other appropriate provider of technical assistance and information on postsecondary educational services for individuals with disabilities, including the National Technical Assistance Center under section 1140q of this title. The Secretary shall continue to implement, to the extent practicable, a toll-free telephone based system to permit applicants who meet the requirements of subsection (b) or (c) of section 1087ss of this title to submit an application over such system.

(d) Assistance in preparation of financial aid application

(1) Preparation authorized

Notwithstanding any provision of this chapter, an applicant may use a preparer for consultative or preparation services for the completion of a form developed under subsection (a) if the preparer satisfies the requirements of this subsection.

(2) Preparer identification required

If an applicant uses a preparer for consultative or preparation services for the completion of a form developed under subsection (a), and for which a fee is charged, the preparer shall—

(A) include, at the time the form is submitted to the Department, the name, address or employer's address, social security number or employer identification number, and organizational affiliation of the preparer on the applicant's form; and

(B) be subject to the same penalties as an applicant for purposely giving false or misleading information in the application.

(3) Additional requirements

A preparer that provides consultative or preparation services pursuant to this subsection shall—

(A) clearly inform each individual upon initial contact, including contact through the Internet or by telephone, that the FAFSA and EZ FAFSA are free forms that may be completed without professional assistance via paper or electronic version of the forms that are provided by the Secretary;

(B) include in any advertising clear and conspicuous information that the FAFSA and EZ FAFSA are free forms that may be completed without professional assistance via paper or electronic version of the forms that are provided by the Secretary;

(C) if advertising or providing any information on a website, or if providing services through a website, include on the website a link to the website that provides the electronic version of the forms developed under subsection (a); and

(D) not produce, use, or disseminate any other form for the purpose of applying for Federal student financial aid other than the form developed by the Secretary under subsection (a).

(4) Special rule

Nothing in this chapter shall be construed to limit preparers of the forms required under this subchapter that meet the requirements of this subsection from collecting source information from a student or parent, including Internal Revenue Service tax forms, in providing consultative and preparation services in completing the forms.

(e) Early application and estimated award demonstration program

(1) Purpose and objectives

The purpose of the demonstration program under this subsection is to measure the benefits, in terms of student aspirations and plans to attend an institution of higher education, and any adverse effects, in terms of program costs, integrity, distribution, and delivery of aid under this subchapter, of implementing an early application system for all dependent students that allows dependent students to apply for financial aid using information from two years prior to the year of enrollment. Additional objectives associated with implementation of the demonstration program are the following:

(A) To measure the feasibility of enabling dependent students to apply for Federal, State, and institutional financial aid in their junior year of secondary school, using information from two years prior to the year of enrollment, by completing any of the forms under this subsection.

(B) To identify whether receiving final financial aid award estimates not later than the fall of the senior year of secondary school provides students with additional

time to compete for the limited resources available for State and institutional financial aid and positively impacts the college aspirations and plans of these students.

(C) To measure the impact of using income information from the years prior to enrollment on—

(i) eligibility for financial aid under this subchapter and for other State and institutional aid; and

(ii) the cost of financial aid programs under this subchapter.

(D) To effectively evaluate the benefits and adverse effects of the demonstration program on program costs, integrity, distribution, and delivery of financial aid.

(2) Program authorized

Not later than two years after August 14, 2008, the Secretary shall implement an early application demonstration program enabling dependent students who wish to participate in the program—

(A) to complete an application under this subsection during the academic year that is two years prior to the year such students plan to enroll in an institution of higher education; and

(B) based on the application described in subparagraph (A), to obtain, not later than one year prior to the year of the students' planned enrollment, information on eligibility for Federal Pell Grants, Federal student loans under this subchapter, and State and institutional financial aid for the student's first year of enrollment in the institution of higher education.

(3) Early application and estimated award

For all dependent students selected for participation in the demonstration program who submit a completed FAFSA, or, as appropriate, an EZ FAFSA, two years prior to the year such students plan to enroll in an institution of higher education, the Secretary shall, not later than one year prior to the year of such planned enrollment—

(A) provide each student who completes an early application with an estimated determination of such student's—

(i) expected family contribution for the first year of the student's enrollment in an institution of higher education; and

(ii) Federal Pell Grant award for the first such year, based on the Federal Pell Grant amount, determined under section 1070a(b)(2)(A) of this title, for which a student is eligible at the time of application; and

(B) remind the students of the need to update the students' information during the calendar year of enrollment using the expedited reapplication process provided for in subsection (a)(4)(A).

(4) Participants

The Secretary shall include as participants in the demonstration program—

(A) States selected through the application process described in paragraph (5);

(B) institutions of higher education within the selected States that are interested in

participating in the demonstration program, and that can make estimates or commitments of institutional student financial aid, as appropriate, to students the year before the students' planned enrollment date; and

(C) secondary schools within the selected States that are interested in participating in the demonstration program, and that can commit resources to—

(i) advertising the availability of the program;

(ii) identifying students who might be interested in participating in the program;

(iii) encouraging such students to apply; and

(iv) participating in the evaluation of the program.

(5) Applications

Each State that is interested in participating in the demonstration program shall submit an application to the Secretary at such time, in such form, and containing such information as the Secretary shall require. The application shall include—

(A) information on the amount of the State's need-based student financial assistance available, and the eligibility criteria for receiving such assistance;

(B) a commitment to make, not later than the year before the dependent students participating in the demonstration program plan to enroll in an institution of higher education, an estimate of the award of State financial aid to such dependent students;

(C) a plan for recruiting institutions of higher education and secondary schools with different demographic characteristics to participate in the program;

(D) a plan for selecting institutions of higher education and secondary schools to participate in the program that—

(i) demonstrate a commitment to encouraging students to submit a FAFSA, or, as appropriate, an EZ FAFSA, two years before the students' planned date of enrollment in an institution of higher education;

(ii) serve different populations of students;

(iii) in the case of institutions of higher education—

(I) to the extent possible, are of varying types and sectors; and

(II) commit to making, not later than the year prior to the year that dependent students participating in the demonstration program plan to enroll in the institution—

(aa) estimated institutional awards to participating dependent students; and

(bb) estimated grants or other financial aid available under this subchapter (including supplemental grants under subpart 3 of part A of this subchapter), for all participating dependent students, along with information on State awards, as provided to the institution by the State;

(E) a commitment to participate in the evaluation conducted by the Secretary; and

(F) such other information as the Secretary may require.

(6) Special provisions

(A) Discretion of student financial aid administrators

A financial aid administrator at an institution of higher education participating in a demonstration program under this subsection may use the discretion provided under section 1087tt of this title as necessary for students participating in the demonstration program.

(B) Waivers

The Secretary is authorized to waive, for an institution of higher education participating in the demonstration program, any requirements under this subchapter, or regulations prescribed under this subchapter, that will make the demonstration program unworkable, except that the Secretary shall not waive any provisions with respect to the maximum award amounts for grants and loans under this subchapter.

(7) Outreach

The Secretary shall make appropriate efforts to notify States of the demonstration program under this subsection. Upon determination of participating States, the Secretary shall continue to make efforts to notify institutions of higher education and dependent students within participating States of the opportunity to participate in the demonstration program and of the participation requirements.

(8) Evaluation

The Secretary shall conduct a rigorous evaluation of the demonstration program to measure the program's benefits and adverse effects, as the benefits and effects relate to the purpose and objectives of the program described in paragraph (1). In conducting the evaluation, the Secretary shall—

(A) determine whether receiving financial aid estimates one year prior to the year in which the student plans to enroll in an institution of higher education, has a positive impact on the higher education aspirations and plans of such student;

(B) measure the extent to which using a student's income information from the year that is two years prior to the student's planned enrollment date had an impact on the ability of States and institutions of higher education to make financial aid awards and commitments;

(C) determine what operational changes are required to implement the program on a larger scale;

(D) identify any changes to Federal law that are necessary to implement the program on a permanent basis;

(E) identify the benefits and adverse effects of providing early estimates on program costs, program operations, program integrity, award amounts, distribution, and delivery of aid; and

(F) examine the extent to which estimated awards differ from actual awards made to students participating in the program.

(9) Consultation

The Secretary shall consult, as appropriate, with the Advisory Committee on Student Financial Assistance established under section 1098 of this title on the design, implementation, and evaluation of the demonstration program.

(f) Reduction of income and asset information to determine eligibility for student financial aid**(1) Continuation of current FAFSA simplification efforts**

The Secretary shall continue to examine—

(A) how the Internal Revenue Service can provide to the Secretary income and other data needed to compute an expected family contribution for taxpayers and dependents of taxpayers, and when in the application cycle the data can be made available;

(B) whether data provided by the Internal Revenue Service can be used to—

(i) prepopulate the electronic version of the FAFSA with student and parent taxpayer data; or

(ii) generate an expected family contribution without additional action on the part of the student and taxpayer; and

(C) whether the data elements collected on the FAFSA that are needed to determine eligibility for student aid, or to administer the Federal student financial aid programs under this subchapter, but are not needed to compute an expected family contribution, such as information regarding the student's citizenship or permanent residency status, registration for selective service, or driver's license number, can be reduced without adverse effects.

(2) Report on FAFSA simplification efforts to date

Not later than 90 days after August 14, 2008, the Secretary shall provide a written report to the authorizing committees on the work the Department has done with the Secretary of the Treasury regarding—

(A) how the expected family contribution of a student can be calculated using substantially less income and asset information than was used on March 31, 2008;

(B) the extent to which the reduced income and asset information will result in a redistribution of Federal grants and subsidized loans under this subchapter, State aid, or institutional aid, or in a change in the composition of the group of recipients of such aid, and the amount of such redistribution;

(C) how the alternative approaches for calculating the expected family contribution will—

(i) rely mainly, in the case of students and parents who file income tax returns, on information available on the 1040, 1040EZ, and 1040A; and

(ii) include formulas for adjusting income or asset information to produce similar results to the existing approach with less data;

(D) how the Internal Revenue Service can provide to the Secretary of Education in-

come and other data needed to compute an expected family contribution for taxpayers and dependents of taxpayers, and when in the application cycle the data can be made available;

(E) whether data provided by the Internal Revenue Service can be used to—

(i) prepopulate the electronic version of the FAFSA with student and parent taxpayer data; or

(ii) generate an expected family contribution without additional action on the part of the student and taxpayer;

(F) the extent to which the use of income data from two years prior to a student's planned enrollment date will change the expected family contribution computed in accordance with part F, and potential adjustments to the need analysis formula that will minimize the change; and

(G) the extent to which the data elements collected on the FAFSA on March 31, 2008, that are needed to determine eligibility for student aid or to administer the Federal student financial aid programs, but are not needed to compute an expected family contribution, such as information regarding the student's citizenship or permanent residency status, registration for selective service, or driver's license number, can be reduced without adverse effects.

(3) Study**(A) Formation of study group**

Not later than 90 days after August 14, 2008, the Comptroller General shall convene a study group the membership of which shall include the Secretary of Education, the Secretary of the Treasury, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, representatives of institutions of higher education with expertise in Federal and State financial aid assistance, State chief executive officers of higher education with a demonstrated commitment to simplifying the FAFSA, and such other individuals as the Comptroller General and the Secretary of Education may designate.

(B) Study required

The Comptroller General, in consultation with the study group convened under subparagraph (A) shall—

(i) review and build on the work of the Secretary of Education and the Secretary of the Treasury, and individuals with expertise in analysis of financial need, to assess alternative approaches for calculating the expected family contribution under the statutory need analysis formula in effect on the day before August 14, 2008, and under a new calculation that will use substantially less income and asset information than was used for the 2008–2009 FAFSA;

(ii) conduct an additional analysis if necessary; and

(iii) make recommendations to the authorizing committees.

(C) Objectives of study

The objectives of the study required under subparagraph (B) are—

(i) to determine methods to shorten the FAFSA and make the FAFSA easier and less time-consuming to complete, thereby increasing higher education access for low-income students;

(ii) to identify changes to the statutory need analysis formula that will be necessary to reduce the amount of financial information students and families need to provide to receive a determination of eligibility for student financial aid without causing significant redistribution of Federal grants and subsidized loans under this subchapter; and

(iii) to review State and institutional needs and uses for data collected on the FAFSA, and to determine the best means of addressing such needs in the case of modification of the FAFSA as described in clause (i), or modification of the need analysis formula as described in clause (ii).

(D) Required subjects of study

The study required under subparagraph (B) shall examine—

(i) with respect to simplification of the financial aid application process using the statutory requirements for need analysis—

(I) additional steps that can be taken to simplify the financial aid application process for students who (or, in the case of dependent students, whose parents) are not required to file a Federal income tax return for the prior taxable year;

(II) information on State use of information provided on the FAFSA, including—

(aa) whether a State uses, as of the time of the study, or can use, a student's expected family contribution based on data from two years prior to the student's planned enrollment date;

(bb) the extent to which States and institutions will accept the data provided by the Internal Revenue Service to prepopulate the electronic version of the FAFSA to determine the distribution of State and institutional student financial aid funds;

(cc) what data are used by States, as of the time of the study, to determine eligibility for State student financial aid, and whether the data are used for merit- or need-based aid;

(dd) whether State data are required by State law, State regulations, or policy directives; and

(ee) the extent to which any State-specific information requirements can be met by completion of a State application linked to the electronic version of the FAFSA; and

(III) information on institutional needs, including the extent to which institutions of higher education are already using supplemental forms to collect additional data from students and their families to determine eligibility for institutional funds; and

(ii) ways to reduce the amount of financial information students and families need to provide to receive a determination of eligibility for student financial aid, taking into account—

(I) the amount of redistribution of Federal grants and subsidized loans under this subchapter caused by such a reduction, and the benefits to be gained by having an application process that will be easier for students and their families;

(II) students and families who do not file income tax returns;

(III) the extent to which the full array of income and asset information collected on the FAFSA, as of the time of the study, plays an important role in the awarding of need-based State financial aid, and whether the State can use an expected family contribution generated by the FAFSA, instead of income and asset information or a calculation with reduced data elements, to support determinations of eligibility for such State aid programs and, if not, what additional information will be needed or what changes to the FAFSA will be required; and

(IV) information on institutional needs, including the extent to which institutions of higher education are already using supplemental forms to collect additional data from students and their families to determine eligibility for institutional funds; and

(V) changes to this chapter or other laws that will be required to implement a modified need analysis system.

(4) Consultation

The Secretary shall consult with the Advisory Committee on Student Financial Assistance established under section 1098 of this title as appropriate in carrying out this subsection.

(5) Reports**(A) Reports on study**

The Secretary shall prepare and submit to the authorizing committees—

(i) not later than one year after August 14, 2008, an interim report on the progress of the study required under paragraph (3) that includes any preliminary recommendations by the study group established under such paragraph; and

(ii) not later than two years after August 14, 2008, a final report on the results of the study required under paragraph (3) that includes recommendations by the study group established under such paragraph.

(B) Reports on FAFSA simplification efforts

The Secretary shall report to the authorizing committees, from time to time, on the progress of the simplification efforts under this subsection.

(g) Addressing the digital divide

The Secretary shall utilize savings accrued by moving more applicants to the electronic version of the forms described in subsection

(a)(3) to improve access to the electronic version of the forms described in such subsection for applicants meeting the requirements of subsection (b) or (c) of section 1087ss of this title.

(h) Adjustments

The Secretary shall disclose, on the form notifying a student of the student's expected family contribution, that the student may, on a case-by-case basis, qualify for an adjustment under section 1087tt of this title to the cost of attendance or the values of the data items required to calculate the expected contribution for the student or parent. Such disclosure shall specify—

- (1) the special circumstances under which a student or family member may qualify for such adjustment; and
- (2) additional information regarding the steps a student or family member may take in order to seek an adjustment under section 1087tt of this title.

(Pub. L. 89-329, title IV, § 483, as added Pub. L. 99-498, title IV, § 407(a), Oct. 17, 1986, 100 Stat. 1478; amended Pub. L. 100-50, § 15(3)-(6), June 3, 1987, 101 Stat. 356; Pub. L. 102-325, title IV, § 483, July 23, 1992, 106 Stat. 612; Pub. L. 103-208, § 2(h)(8)-(12), Dec. 20, 1993, 107 Stat. 2476; Pub. L. 105-244, title IV, § 482, Oct. 7, 1998, 112 Stat. 1733; Pub. L. 110-315, title I, § 103(b)(10), title IV, § 483(a), Aug. 14, 2008, 122 Stat. 3090, 3272; Pub. L. 111-39, title IV, § 407(b)(3), July 1, 2009, 123 Stat. 1950; Pub. L. 111-152, title II, § 2101(b)(4), Mar. 30, 2010, 124 Stat. 1073; Pub. L. 116-260, div. FF, title VII, § 702(m)(1), Dec. 27, 2020, 134 Stat. 3168.)

AMENDMENT OF SECTION

Pub. L. 116-260, div. FF, title VII, §§ 701(b), 702(m)(1), Dec. 27, 2020, 134 Stat. 3137, 3168, provided that, effective July 1, 2023, except as otherwise expressly provided, and applicable with respect to award year 2023-2024 and each subsequent award year, as determined under this chapter, this section is amended to read as follows:

§ 1090. Free Application for Federal Student Aid

(a) Simplified application for Federal student financial aid

(1) In general

Each individual seeking to apply for Federal financial aid under this subchapter for award year 2023-2024 and any subsequent award year shall file a free application with the Secretary, known as the "Free Application for Federal Student Aid", to determine eligibility for such aid, as described in paragraph (2), and in accordance with section 1087ss of this title.

(2) Free application

(A) In general

The Secretary shall make available, for the purposes of paragraph (1), a free application to determine the eligibility of a student for Federal financial aid under this subchapter.

(B) Information required by the applicant

(i) In general

The applicant, and, if necessary, the parents or spouse of the applicant, shall provide the Secretary with the applicable information described in clause (ii) in order to be eligible

for Federal financial aid under this subchapter.

(ii) Information to be provided

The information described in this clause is the following:

(I) Name.

(II) Contact information, including address, phone number, email address, or other electronic address.

(III) Social security number.

(IV) Date of birth.

(V) Marital status.

(VI) Citizenship status, including alien registration number, if applicable.

(VII) Sex.

(VIII) Race or ethnicity, using categories developed in consultation with the Bureau of the Census and the Director of the Institute of Education Sciences that, to the greatest extent practicable, separately capture the racial groups specified in the American Community Survey of the Bureau of the Census.

(IX) State of legal residence and date of residency.

(X) The following information on secondary school completion:

(aa) Name and location of the high school from which the applicant received, or will receive prior to the period of enrollment for which aid is sought, a regular high school diploma;

(bb) name and location of the entity from which the applicant received, or will receive prior to the period of enrollment for which aid is sought, a recognized equivalent of a regular high school diploma; or

(cc) if the applicant completed or will complete prior to the period of enrollment for which aid is sought, a secondary school education in a home school setting that is treated as a home school or private school under State law.

(XI) Name of each institution where the applicant intends to apply for enrollment or continue enrollment.

(XII) Year in school for period of enrollment for which aid is sought, including whether applicant will have finished first bachelor's degree prior to the period of enrollment for which aid is sought.

(XIII) Whether one or both of the applicant's parents attended college.

(XIV) Any required asset information, unless exempt under section 1087ss of this title, in which the applicant shall indicate—

(aa) the annual amount of child support received, if applicable; and

(bb) all required asset information not described in item (aa).

(XV) The number of members of the applicant's family who will also be enrolled in an eligible institution of higher education on at least a half-time basis during the same enrollment period as the applicant.

(XVI) If the applicant meets any of the following designations:

(aa) Is an unaccompanied homeless youth, or is unaccompanied, at risk of homelessness, and self-supporting.

(bb) Is an emancipated minor.

(cc) Is in legal guardianship.

(dd) Has been a dependent ward of the court at any time since the applicant turned 13.

(ee) Has been in foster care at any time since the applicant turned 13.

(ff) Both parents have died since the applicant turned 13.

(gg) Is a veteran of the Armed Forces of the United States or is serving (on the date of the application) on active duty in the Armed Forces for other than training purposes.

(hh) Is under the age of 24 and has a dependent child or relative.

(ii) Does not have access to parental information due to an unusual circumstance described in section 1087vv(d)(9) of this title.

(XVII) If the applicant receives or has received any of the following means-tested Federal benefits within the last two years:

(aa) The supplemental security income program under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.).

(bb) The supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), a nutrition assistance program carried out under section 19 of such Act (7 U.S.C. 2028), or a supplemental nutrition assistance program carried out under section 1841(c) of title 48.

(cc) The free and reduced price school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

(dd) The program of block grants for States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(ee) The special supplemental nutrition program for women, infants, and children established by section 1786 of title 42.

(ff) The Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(gg) Federal housing assistance programs, including tenant-based assistance under section 1437f(o) of title 42, and public housing, as defined in section 1437a(b)(1) of title 42.

(hh) Refundable credit for coverage under a qualified health plan under section 36B of title 26.

(ii) The Earned Income Tax Credit under section 32 of title 26.

(jj) Any other means-tested program determined by the Secretary to be appropriate.

(XVIII) If the applicant, or, if necessary, the parents or spouse of the applicant, reported receiving tax exempt payments from an individual retirement plan (as defined in section 7701 of title 26) distribution or from pensions or annuities on a Federal tax return, information as to how much of the individual retirement plan distribution or

pension or annuity disbursement was a qualified rollover.

(XIX) If the applicant, or, if necessary, the parents or spouse of the applicant, reported receiving foreign income that is exempt from Federal taxation or for which a permanent resident of the United States or United States citizen receives a foreign tax credit, information regarding the amount of such foreign income.

(XX) If the applicant, or, if applicable, the parents or spouse of the applicant, elects to report receiving college grant and scholarship aid included in gross income on a Federal tax return described in section 1087vv(e)(2) of this title, information regarding the amount of such aid

(iii) Prohibition against requesting information more than once

Any information requested during the process of creating an account for completing the free application under this subsection, shall, to the fullest extent possible, not be required a second time for the same award year, or in a duplicative manner, when completing such free application except in the case of an unusual situation, such as a temporary inability to access an account for completing such free application.

(iv) Change in family size

The Secretary shall provide a process by which an applicant shall confirm the accuracy of family size or update the family size with respect to such applicant for purposes of determining the need of such applicant for financial assistance under this subchapter based on a change in family size from the tax year data used for such determination.

(v) Single question for homeless status

The Secretary shall ensure that—

(I) on the form developed under this section for which the information is applicable, there is a single, easily understood screening question to identify an applicant who is an unaccompanied homeless youth or is unaccompanied, at risk of homelessness, and self-supporting; and

(II) such question is distinct from those relating to an individual who does not have access to parental income due to an unusual circumstance.

(vi) Adjustments

The Secretary shall disclose on the FAFSA that the student may, on a case-by-case basis, qualify for an adjustment under section 1087tt of this title to the cost of attendance or the values of the data items required to calculate the student's eligibility for a Federal Pell Grant or the student aid index for the student or parent.

(C) Notification and approval of request for tax return information

The Secretary shall notify students and borrowers who wish to submit an application for Federal student financial aid under this subchapter (as well as parents and spouses who must sign such an application or request or a Master Promissory Note on behalf of those stu-

dents and borrowers) of the authority of the Secretary to require that such persons affirmatively approve that the Internal Revenue Service disclose their tax return information as described in section 1098h of this title.

(D) Authorizations available to the applicant

- (i) Authorization to disclose FAFSA information, including a redisclosure of tax return information, to institution, State higher education agency, and designated scholarship organizations

An applicant and, if necessary, the parents or spouse of the applicant shall provide the Secretary with authorization to disclose to an institution, State higher education agency, and scholarship organizations (designated (prior to December 19, 2019) by the Secretary under subsection (a)(3)(E)) as in effect on such date, as specified by the applicant and in accordance with section 1098h of this title, in order for the applicant's eligibility for Federal financial aid programs, State financial aid programs, institutional financial aid programs, and scholarship programs at scholarship organizations (designated (prior to December 19, 2019) by the Secretary under subsection (a)(3)(E)) as in effect on such date, to be determined, the following:

(I) Information described under section 6103(l)(13) of title 26.

(II) All information provided by the applicant on the application described by this subsection to determine the applicant's eligibility for Federal financial aid under this subchapter and for the application, award, and administration of such Federal financial aid, except the name of an institution to which an applicant selects to redisclose information shall not be disclosed to any other institution.

- (ii) Authorization to disclose to benefits programs

An applicant and, if necessary, the parents or spouse of the applicant may provide the Secretary with authorization to disclose to applicable agencies that handle applications for means-tested Federal benefit programs, as defined in section 1087ss(b)(4)(H) of this title, all information provided by the applicant on the application described by this subsection as well as such applicant's student aid index and scheduled Federal Pell Grant award to assist in identification, outreach and application efforts for the application, award, and administration of such means-tested Federal benefits programs, except such information shall not include Federal tax information as specified in section 6103(l)(13)(C) of title 26.

(E) Action by the Secretary

Upon receiving—

(i) an application under this section, the Secretary shall, as soon as practicable, perform the necessary functions with the Commissioner of Internal Revenue to calculate the applicant's student aid index and scheduled award for a Federal Pell Grant, if applicable, assuming full-time enrollment for an academic year, and note to the applicant the assumptions relationship to the scheduled award; and

(ii) an authorization under subparagraph (D), the Secretary shall, as soon as practicable, disclose the information described under such subparagraph, as specified by the applicant, in order for the applicant's eligibility for Federal, State, or institutional student financial aid programs or means-tested Federal benefit programs to be estimated or determined.

(F) Work study wages

With respect to an applicant who has received income earned from work under part C of this subchapter, the Secretary shall take the steps necessary to collect information on the amount of such income for the purposes of calculating such applicant's student aid index and scheduled award for a Federal Pell Grant, if applicable, without adding additional questions to the FAFSA, including by collecting such information from institutions of higher education participating in work-study programs under part C of this subchapter.

(3) Information to be supplied by the Secretary of Education

(A) In general

Upon receiving and timely processing a free application that contains the information described in paragraph (2), the Secretary shall provide to the applicant the following information based on full-time attendance for an academic year:

(i) The estimated dollar amount of a Federal Pell Grant scheduled award for which the applicant is eligible for such award year.

(ii) Information on other types of Federal financial aid for which the applicant may be eligible (including situations in which the applicant could qualify for 150 percent of a scheduled Federal Pell Grant award and loans made under this subchapter) and how the applicant can find additional information regarding such aid.

(iii) Consumer-tested information regarding each institution selected by the applicant in accordance with paragraph (2)(B)(ii)(XI), which may include the following:

(I) The following information, as collected through the Integrated Postsecondary Education Data System or a successor Federal data system as designated by the Secretary:

(aa) Net price by the income categories, as described under section 1015a(i)(6) of this title, and disaggregated by undergraduate and graduate programs, as applicable.

(bb) Graduation rate.

(cc) Retention rate.

(dd) Transfer rate, if available.

(II) Median debt of students upon completion.

(III) Institutional default rate, as calculated under section 1085 of this title.

(iv) If the student is eligible for a student aid index of less than or equal to zero under section 1087mm of this title, a notification of the Federal means-tested benefits that they have not already indicated they receive, but for which they may be eligible, and relevant

links and information on how to apply for such benefits.

(v) Information on education tax benefits described in paragraphs (1) and (2) of section 25A(a) of title 26 or other applicable education tax benefits determined in consultation with the Secretary of the Treasury.

(vi) If the individual identified as a veteran, or as serving (on the date of the application) on active duty in the Armed Forces for other than training purposes, information on benefits administered by the Department of Veteran Affairs or Department of Defense, respectively.

(vii) If applicable, the applicant's current outstanding balance of loans under this subchapter.

(B) Information provided to the State

(i) In general

The Secretary shall redisclose, with authorization from the applicant in accordance with paragraph (2)(D)(i), to a State higher education agency administering State-based financial aid and serving the applicant's State of residence, the information described under section 6103(l)(13) of title 26 and information described in paragraph (2)(B) for the application, award, and administration of grants and other student financial aid provided directly from the State to be determined by such State. Such information shall include the list of institutions provided by the applicant on the application.

(ii) Use of information

A State agency administering State-based financial aid—

(I) shall use the information provided under clause (i) solely for the application, award, and administration of State-based financial aid for which the applicant is eligible;

(II) may use the information, except for the information described under section 6103(l)(13) of title 26, for State agency research that does not release any individually identifiable information on any applicant to promote college attendance, persistence, and completion;

(III) may use identifying information provided by student applicants on the FAFSA to determine whether or not a graduating secondary student has filed the application in coordination with local educational agencies or secondary schools to encourage students to complete the application; and

(IV) may share the application information, excluding the information described under section 6103(l)(13) of title 26, with any other entity, only if such applicant provides explicit written consent of the applicant, except as provided in subclause (III).

(iii) Limitation on consent process

A State may provide a consent process whereby an applicant may elect to share the information described in clause (i), except for the information described in section 6103(l)(13) of title 26, through explicit written consent to Federal, State, or local government agencies

or tribal organizations to assist such applicant in applying for and receiving Federal, State, or local government assistance, or tribal assistance for any component of the applicant's cost of attendance that may include financial assistance or non-monetary assistance.

(iv) Prohibition

Any entity that receives applicant information under clause (iii) shall not sell, share, or otherwise use applicant information other than for the purposes outlined in clause (iii).

(C) Use of information provided to the institution

An institution—

(i) shall use the information provided to it solely for the application, award, and administration of financial aid to the applicant;

(ii) may use the information provided, excluding the information described under section 6103(l)(13) of title 26, for research that does not release any individually identifiable information on any applicant, to promote college attendance, persistence, and completion; and

(iii) shall not share such educational record information with any other entity without the explicit written consent of the applicant.

(D) Prohibition

Any entity that receives applicant information under subparagraph (C)(iii) shall not sell, share, or otherwise use applicant information other than for the purposes outlined in subparagraph (C).

(E) FAFSA information that includes tax return information

An applicant's FAFSA information that includes return or return information as described in section 6103(l)(13) of title 26 may be disclosed or redisclosed (which shall include obtaining, sharing, or discussing such information) only in accordance with the procedures described in section 1098h of this title.

(4) Development of form and information exchange

Prior to the design of the free application under this subsection, the Secretary shall, to the maximum extent practicable, on an annual basis—

(A) consult with stakeholders to gather information about innovations and technology available to—

(i) ensure an efficient and effective process;

(ii) mitigate unintended consequences; and

(iii) determine the best practices for outreach to students and families during the transition to the streamlined process for the determination of Federal financial aid and Federal Pell Grant eligibility while reducing the data burden on applicants and families; and

(B) solicit public comments for the format of the free application that provides for adequate time to incorporate feedback prior to development of the application for the succeeding award year.

(5) No additional information requests permitted

In carrying out this subsection, the Secretary may not require additional information to be sub-

mitted by an applicant (or the parents or spouse of an applicant) for Federal financial aid through other requirements or reporting, except as required under a process or procedure exercised in accordance with the authority under section 1087tt of this title.

(6) State-run programs

(A) In general

The Secretary shall conduct outreach to States in order to research the benefits to students of States relying solely on the student aid index, scheduled Pell Grant Award, or the financial data made available, upon authorization by the applicant, as a result of an application for aid under this subsection for determining the eligibility of the applicant for State provided financial aid.

(B) Secretarial review

If a State determines that there is a need for additional data elements beyond those provided pursuant to this subsection for determining the eligibility of an applicant for State provided financial aid, the State shall forward a list of those additional data elements determined necessary, but not provided by virtue of the application under this subsection, to the Secretary. The Secretary shall make readily available to the public through the Department's websites and other means—

(i) a list of States that do not require additional financial information separate from the Free Application for Federal Student Aid and do not require asset information from students who qualify for the exemption from asset reporting under section 1087ss of this title for the purposes of awarding State scholarships and grant aid;

(ii) a list of States that require asset information from students who qualify for the exemption from asset reporting under section 1087ss of this title for the purposes of awarding State scholarships and grant aid;

(iii) a list of States that have indicated that they require additional financial information separate from the Free Application for Federal Student Aid for purposes of awarding State scholarships and grant aid; and

(iv) with the publication of the lists under this subparagraph, information about additional resources available to applicants, including links to such State websites.

(7) Institution-run financial aid

(A) In general

The Secretary shall conduct outreach to institutions of higher education to describe the benefits to students of relying solely on the student aid index, scheduled Pell Grant Award, or the financial data made available, upon authorization for release by the applicant, as a result of an application for aid under this subsection for determining the eligibility of the applicant for institutional financial aid. The Secretary shall make readily available to the public through its websites and other means—

(i) a list of institutions that do not require additional financial information separate from the Free Application for Federal Student Aid and do not require asset information from

students who qualify for the exemption from asset reporting under section 1087ss of this title for the purpose of awarding institution-run financial aid;

(ii) a list of institutions that require asset information from students who qualify for the exemption from asset reporting under section 1087ss of this title for the purpose of awarding institution-run financial aid;

(iii) a list of institutions that require additional financial information separate from the Free Application for Federal Student Aid for the purpose of awarding institution-run financial aid; and

(iv) with the publication of the list in clause (iii), information about additional resources available to applicants.

(8) Security of data

The Secretary shall, in consultation with the Secretary of the Treasury—

(A) take all necessary steps to safeguard the data required to be transmitted for the purpose of this section between Federal agencies and to States and institutions of higher education and secure the transmittal of such data;

(B) provide guidance to States and institutions of higher education regarding their obligation to ensure the security of the data provided under this section and section 6103 of title 26; and

(C) provide guidance on the implementation of section 6103 of title 26, including how it intersects with the provisions of section 1232g of this title (commonly known as the “Family Educational Rights and Privacy Act of 1974”), and any additional consent processes that may be available to applicants in accordance with title 26 regarding sharing of Federal tax information.

(9) Report to Congress

(A) In general

Not later than 1 year after December 27, 2020, the Secretary shall report to the authorizing committees on the progress of the Secretary in carrying out this subsection, including planning and stakeholder consultation. Such report shall include—

(i) benchmarks for implementation;

(ii) entities and organizations that the Secretary consulted;

(iii) system requirements for such implementation and how they will be addressed;

(iv) any areas of concern and potential problem issues uncovered that may hamper such implementation; and

(v) solutions determined to address such issues.

(B) Updates

The Secretary shall provide updates to the authorizing committees—

(i) as to the progress and planning described in subparagraph (A) prior to implementation of the revisions to the Free Application for Federal Student Aid under this subsection not less often than quarterly; and

(ii) at least 6 months and 1 year after implementation of the revisions to the Free Application for Federal Student Aid.

(b) *Adjustments and improvements*(1) *In general*

The Secretary shall disclose in a consumer-tested format, upon completion of the Free Application for Federal Student Aid under this section, that the student may, on a case-by-case basis, qualify for an adjustment under section 1087tt of this title to the cost of attendance or the values of the data items required to calculate the Federal Pell Grant or the need analysis for the student or parent. Such disclosure shall specify—

(A) examples of the special circumstances under which a student or family member may qualify for such adjustment or determination of independence; and

(B) additional information regarding the steps a student or family member may take in order to seek an adjustment under section 1087tt of this title.

(2) *Consumer testing*(A) *In general*

Not later than 9 months after December 27, 2020, the Secretary shall begin consumer testing the design of the Free Application for Federal Student Aid under this section with prospective first-generation college students, representatives of students (including low-income students, English learners, first-generation college students, adult students, veterans, servicemembers, and prospective students), students' families (including low-income families, families with English learners, families with first-generation college students, and families with prospective students), institutions of higher education, secondary school and postsecondary counselors, and nonprofit consumer groups.

(B) *Updates*

For award year 2023–2024 and at least each fourth succeeding award year thereafter, the Secretary shall update the design of the Free Application for Federal Student Aid based on additional consumer testing with the populations described in subparagraph (A) in order to improve the usability and accessibility of the application.

(3) *Accessibility of the FAFSA*

The Secretary shall—

(A) in conjunction with the Bureau of the Census, determine the most common languages spoken by English learner students and their parents in the United States;

(B) develop and make publicly available versions of the Free Application for Federal Student Aid form in not fewer than 11 of the most common languages determined under subparagraph (A) and make such versions available and accessible to applicants in paper and electronic formats; and

(C) ensure that the Free Application for Federal Student Aid is available in formats accessible to individuals with disabilities and compliant with the most recent Web Content Accessibility Guidelines, or successor guidelines.

(4) *Reapplication in a succeeding academic year*

In order to streamline an applicant's experience in applying for financial aid, the Secretary shall allow an applicant who electronically applies for

financial assistance under this subchapter for an academic year subsequent to an academic year for which such applicant applied for financial assistance under this subchapter to automatically electronically import all of the applicant's (including parents', guardians', or spouses', as applicable) identifying, demographic, and school data from the previous application and to update such information to reflect any circumstances that have changed.

(5) *Technology accessibility*

The Secretary shall make the application under this section available through prevalent technology. Such technology shall, at a minimum, enable applicants to—

(A) save data; and

(B) submit the application under this subchapter to the Secretary through such technology.

(6) *Verification burden*

The Secretary shall—

(A) to the maximum extent practicable, streamline and simplify the process of verification for applicants for Federal financial aid;

(B) in establishing policies and procedures to verify applicants' eligibility for Federal financial aid, consider—

(i) the burden placed on low-income applicants;

(ii) the risk to low-income applicants of failing to complete the application, enroll in college, or complete a postsecondary credential as a result of being selected for verification;

(iii) the effectiveness of the policies and procedures in preventing overpayments; and

(iv) the reasons for the source of any improper payments; and

(C) issue a public report not less often than annually that includes the number and percentage of applicants subject to verification, whether the applicants ultimately received Federal financial aid disbursements, the extent to which the student aid index changed for such applicants as a result of verification, and the extent to which such applicants' eligibility for Federal financial aid under this subchapter changed.

(7) *Studies*

The Secretary shall periodically conduct studies on—

(A) whether the Free Application for Federal Student Aid is a barrier to college enrollment by examining—

(i) the effect of States requiring additional information specified in clauses (ii) and (iii) of subsection (a)(6)(B) on the determination of State financial aid awards, including—

(I) how much financial aid awards would change if the additional information were not required; and

(II) the number of students who started but did not finish the Free Application for Federal Student Aid, compared to the baseline year of 2021; and

(ii) the number of students who—

(I) started a Free Application for Federal Student Aid but did not receive financial assistance under this subchapter for the applicable academic year; and

(II) if available, did not enroll in an institution of higher education in the applicable academic year;

(B) the most common barriers faced by applicants in completing the Free Application for Federal Student Aid; and

(C) the most common reasons that students and families do not fill out the Free Applications for Federal Student Aid.

(c) Data and information

(1) In general

The Secretary shall publish data in a publicly accessible manner—

(A) annually on the total number of Free Applications for Federal Student Aid submitted by application cycle, disaggregated by demographic characteristics, type of institution or institutions of higher education to which the applicant applied, the applicant's State of legal residence, and high school and public school district;

(B) quarterly on the total number of Free Applications for Federal Student Aid submitted by application cycle, disaggregated by type of institution or institutions of higher education to which the applicant applied, the applicant's State of legal residence, and high school and public school district;

(C) weekly on the total number of Free Applications for Federal Student Aid submitted, disaggregated by high school and public school district; and

(D) annually on the number of individuals who apply for federal financial aid pursuant to this section who indicated that they are—

(i) an unaccompanied homeless youth or unaccompanied, at risk of homelessness, and self-supporting; or

(ii) a foster care youth.

(2) Contents

The data described in paragraph (1)(D) with respect to homeless youth shall include, at a minimum, for each application cycle—

(A) the total number of all applicants who were determined to be individuals described in section 1087vv(d)(8) of this title; and

(B) the number of applicants described in subparagraph (A), disaggregated—

(i) by State; and

(ii) by the sources of determination as described in section 1087uu–2(b) of this title.

(3) Data sharing

The Secretary may enter into data sharing agreements with the appropriate Federal or State agencies to conduct outreach regarding, and connect applicants directly with, the means-tested Federal benefit programs described in subsection (a)(2)(B)(ii)(XVII) for which the applicants may be eligible.

(d) Ensuring form usability

(1) Signature

Notwithstanding any other provision of this subchapter, the Secretary may permit the Free Application for Federal Student Aid to be submitted without a signature, if a signature is subsequently submitted by the applicant, or if the applicant uses an access device provided by the Secretary.

(2) Free preparation authorized

Notwithstanding any other provision of this subchapter, an applicant may use a preparer for consultative or preparation services for the completion of the Free Application for Federal Student Aid without charging a fee to the applicant if the preparer—

(A) includes, at the time the application is submitted to the Department, the name, address or employer's address, social security number or employer identification number, and organizational affiliation of the preparer on the applicant's form;

(B) is subject to the same penalties as an applicant for purposely giving false or misleading information in the application;

(C) clearly informs each individual upon initial contact, that the Free Application for Federal Student Aid is a free form that may be completed without professional assistance; and

(D) does not produce, use, or disseminate any other form for the purpose of applying for Federal financial aid other than the Free Application for Federal Student Aid developed by the Secretary under this section.

(3) Charges to students and parents for use of forms prohibited

The need for and eligibility of a student for financial assistance under this subchapter may be determined only by using the Free Application for Federal Student Aid developed by the Secretary under this section. Such application shall be produced, distributed, and processed by the Secretary, and no parent or student shall be charged a fee by the Secretary, a contractor, a third-party servicer or private software provider, or any other public or private entity for the collection, processing, or delivery of Federal financial aid through the use of such application. No data collected on a form for which a fee is charged shall be used to complete the Free Application for Federal Student Aid prescribed under this section, except that a Federal or State income tax form prepared by a paid income tax preparer or preparer service for the primary purpose of filing a Federal or State income tax return may be used to complete the Free Application for Federal Student Aid prescribed under this section.

(4) Application processing cycle

The Secretary shall enable applicants to submit a Free Application for Federal Student Aid developed under this section and initiate the processing of such application, not later than January 1 of the applicant's planned year of enrollment, to the maximum extent practicable, on or around October 1 prior to the applicant's planned year of enrollment.

(5) Early estimates

The Secretary shall maintain an electronic method for applicants to enter income and family size information to calculate a non-binding estimate of the applicant's Federal financial aid available under this subchapter and shall place such calculator on a prominent location at the beginning of the Free Application for Federal Student Aid.

(6) Additional forms

Notwithstanding any other provision of this subchapter, an institution may not condition the

packaging or receipt of Federal financial aid on the completion of additional requests for financial information beyond the Free Application for Federal Student Aid, unless such information is required for verification, a determination of independence, or professional judgement.

See 2020 Amendment note below.

Editorial Notes

PRIOR PROVISIONS

A prior section 1090, Pub. L. 89-329, title IV, § 483, as added Pub. L. 96-374, title IV, § 451(a), Oct. 3, 1980, 94 Stat. 1448, related to forms and regulations for student assistance programs, prior to the general revision of this part by Pub. L. 99-498.

AMENDMENTS

2020—Pub. L. 116-260 amended section generally. Prior to amendment, section related to forms and regulations.

2010—Subsec. (e)(3)(A)(ii). Pub. L. 111-152 substituted “based on the Federal Pell Grant amount, determined under section 1070a(b)(2)(A) of this title, for which a student is eligible at the time of application” for “based on the maximum Federal Pell Grant award at the time of application”.

2009—Subsec. (a)(3)(C). Pub. L. 111-39, § 407(b)(3)(A), inserted “that” after “except”.

Subsec. (e)(8)(A). Pub. L. 111-39, § 407(b)(3)(B), substituted “determine” for “identify”.

2008—Subsec. (a). Pub. L. 110-315, § 483(a)(1), added pars. (1) to (12) and struck out former pars. (1) to (7), which related to forms required, charges for forms, distribution of data, contracts for collection and processing, electronic forms, third party servicers and private software providers, and parents’ social security numbers and birth dates.

Subsec. (b). Pub. L. 110-315, § 483(a)(2), (3), redesignated subsec. (c) as (b) and struck out former subsec. (b) which related to streamlined reapplication process.

Subsec. (c). Pub. L. 110-315, § 483(a)(4), substituted “or other appropriate provider of technical assistance and information on postsecondary educational services for individuals with disabilities, including the National Technical Assistance Center under section 1140q of this title. The Secretary shall continue to implement, to the extent practicable, a toll-free telephone based system to permit applicants who meet the requirements of subsection (b) or (c) of section 1087ss of this title to submit an application over such system” for “that is authorized under section 1485(d)(2)(C) of this title”.

Pub. L. 110-315, § 483(a)(3), redesignated subsec. (d) as (c). Former subsec. (c) redesignated (b).

Pub. L. 110-315, § 103(b)(10), substituted “authorizing committees” for “Committee on Labor and Human Resources of the Senate and the Committee on Education and the Workforce of the House of Representatives”.

Subsec. (d). Pub. L. 110-315, § 483(a)(5), added subsec. (d). Former subsec. (d) redesignated (c).

Subsec. (e). Pub. L. 110-315, § 483(a)(2), (5), added subsec. (e) and struck out former subsec. (e). Prior to amendment, text read as follows: “Any financial aid application required to be made under this subchapter shall include the name, signature, address or employer’s address, social security number or employer identification number, and organizational affiliation of the preparer of such financial aid application.”

Subsecs. (f) to (h). Pub. L. 110-315, § 483(a)(5), added subsecs. (f) to (h).

1998—Subsec. (a). Pub. L. 105-244, § 482(a)(1), substituted “form development” for “form” in heading.

Subsec. (a)(1). Pub. L. 105-244, § 482(a)(2)(D), struck out at end “For the purpose of collecting eligibility and other data for the purpose of part B of this subchapter, the Secretary shall develop a separate, identifiable loan application document (pursuant to section 1082(m) of this title) that applicants or institutions in which

the students are enrolled or accepted for enrollment shall submit directly to eligible lenders and on which the applicant shall clearly indicate a choice of a lender.”

Pub. L. 105-244, § 482(a)(2)(C), substituted “The Secretary shall include on the form developed under this subsection such data items as the Secretary determines are appropriate for inclusion. Such items shall be selected in consultation with States to assist in the awarding of State financial assistance. In no case shall the number of such data items be less than the number included on the form on October 7, 1998.” for “The Secretary may include on the form developed pursuant to this paragraph not more than eight nonfinancial data items selected in consultation with the States to assist the States in awarding State student financial assistance.”

Pub. L. 105-244, § 482(a)(2)(A), (B), substituted “A through D” for “A, C, and D” and struck out “and to determine the need of a student for the purpose of part B of this subchapter” after “part A of this subchapter”.

Subsec. (a)(2). Pub. L. 105-244, § 482(a)(3), substituted “A through D” for “A, C, and D” in two places and struck out “and the need of a student for the purpose of part B of this subchapter,” before “may only be determined” and “or have the student’s need established for the purpose of part B of this subchapter” before “, except by use of”.

Subsec. (a)(3). Pub. L. 105-244, § 482(a)(4), amended heading and text of par. (3) generally. Prior to amendment, text read as follows: “Institutions of higher education and States shall receive, without charge, the data collected by the Secretary using the form developed pursuant to this section for the purposes of determining need and eligibility for institutional and State financial aid awards. Entities designated by institutions of higher education or States to receive such data shall be subject to all requirements of this section, unless such requirements are waived by the Secretary.”

Subsec. (a)(5) to (7). Pub. L. 105-244, § 482(a)(5), added pars. (5) to (7).

Subsec. (b)(1). Pub. L. 105-244, § 482(b), struck out “, within 240 days after July 23, 1992,” after “The Secretary shall”.

Subsec. (c). Pub. L. 105-244, § 482(c), substituted “and the Workforce” for “and Labor”.

Subsec. (d). Pub. L. 105-244, § 482(d), substituted “section 1485(d)(2)(C)” for “section 1433(c)”.

Subsec. (f). Pub. L. 105-244, § 482(e), struck out heading and text of subsec. (f). Text read as follows: “Nothing in section 1544 of the Higher Education Amendments of 1992 shall relieve processors or institutions of higher education of any or all obligations under this section.”

1993—Subsec. (a)(1). Pub. L. 103-208, § 2(h)(8), made technical amendment to reference to section 1070a(d) of this title to correct reference to corresponding section of original act.

Subsec. (a)(2). Pub. L. 103-208, § 2(h)(9), inserted at end “No data collected on a form for which a fee is charged shall be used to complete the form prescribed under paragraph (1).”

Subsec. (a)(3). Pub. L. 103-208, § 2(h)(10), inserted at end “Entities designated by institutions of higher education or States to receive such data shall be subject to all requirements of this section, unless such requirements are waived by the Secretary.”

Subsecs. (d), (e). Pub. L. 103-208, § 2(h)(12), redesignated subsecs. (e) and (f) as (d) and (e), respectively.

Subsec. (f). Pub. L. 103-208, § 2(h)(12), redesignated subsec. (g) as (f). Former subsec. (f) redesignated (e).

Pub. L. 103-208, § 2(h)(11), substituted “address or employer’s address, social security number or employer identification number,” for “address, social security number,”.

Subsec. (g). Pub. L. 103-208, § 2(h)(12), redesignated subsec. (g) as (f).

1992—Subsec. (a). Pub. L. 102-325, § 483(a), added subsec. (a) and struck out former subsec. (a) which con-

tained pars. (1) to (5) relating to a common financial aid form and processing of financial aid applications.

Subsec. (b). Pub. L. 102-325, § 483(a), added subsec. (b) and struck out former subsec. (b) which related to certifications of capability of systems for determining expected family contributions.

Subsec. (d). Pub. L. 102-325, § 483(b)(1), struck out subsec. (d) which related to provision of early notice to students of their potential eligibility for financial aid.

Subsec. (e). Pub. L. 102-325, § 483(b)(2), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: “The Secretary shall contract for, or establish, and publicize a toll-free telephone number to provide timely and accurate information to the general public. The information provided shall include specific instructions on completing application forms for assistance under this subchapter.”

Subsecs. (f), (g). Pub. L. 102-325, § 483(b)(1), (3), added subsecs. (f) and (g) and struck out former subsec. (f) which related to notice of student aid receipt.

1987—Subsec. (a)(1). Pub. L. 100-50, § 15(3), (4), inserted in second sentence “or institutions in which the students are enrolled or accepted for enrollment” after “that applicants” and “and on which the applicant shall clearly indicate a choice of lender” before period at end.

Subsec. (a)(2). Pub. L. 100-50, § 15(5), substituted “not less than 5” for “not less than 3” and inserted sentence at end providing that the Secretary not select new multiple data entry processors until certain examinations and recommendations are made by the Advisory Commission on Student Financial Assistance.

Subsecs. (b) to (f). Pub. L. 100-50, § 15(6), added subsec. (b) and redesignated former subsecs. (b) to (e) as (c) to (f), respectively.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2020 AMENDMENT

Amendment by Pub. L. 116-260 effective July 1, 2023, except as otherwise expressly provided, and applicable with respect to award year 2023-2024 and each subsequent award year, as determined under this chapter, see section 701(b) of Pub. L. 116-260, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-152 effective July 1, 2010, see section 2101(c) of Pub. L. 111-152, set out as a note under section 1070a of this title.

EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111-39 effective as if enacted on the date of enactment of Pub. L. 110-315 (Aug. 14, 2008), see section 3 of Pub. L. 111-39, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-244 effective Oct. 1, 1998, except as otherwise provided in Pub. L. 105-244, see section 3 of Pub. L. 105-244, set out as a note under section 1001 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-208 effective as if included in the Higher Education Amendments of 1992, Pub. L. 102-325, except as otherwise provided, see section 5(a) of Pub. L. 103-208, set out as a note under section 1051 of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100-50 effective as if enacted as part of the Higher Education Amendments of 1986, Pub. L. 99-498, see section 27 of Pub. L. 100-50, set out as a note under section 1001 of this title.

EFFECTIVE DATE

Section effective Oct. 17, 1986, except as otherwise provided, see section 2 of Pub. L. 99-498, set out as a note under section 1001 of this title.

Subsec. (e) of this section applicable to student assistance awarded for periods of enrollment beginning on or after July 1, 1987, see section 407(b) of Pub. L. 99-498, set out as a note under section 1091 of this title.

REPORTS

Pub. L. 116-260, div. FF, title VII, § 702(m)(2), Dec. 27, 2020, 134 Stat. 3182, provided that: “Notwithstanding section 701(b) of this title [set out as an Effective Date of 2020 Amendment note under section 1001 of this title], the Secretary of Education shall have the authority to issue reports and begin consumer testing prior to July 1, 2023, as provided in the amendment made by paragraph (1) [amending this section].”

IDENTIFICATION OF FOSTER YOUTH ON FAFSA

Pub. L. 113-235, div. G, title III, § 308, Dec. 16, 2014, 128 Stat. 2504, provided that: “The Secretary of Education shall—

“(1) modify the Free Application for Federal Student Aid described in section 483 of the HEA [Higher Education Act of 1965, 20 U.S.C. 1090] so that the Free Application for Federal Student Aid contains an individual box for the purpose of identifying students who are foster youth or were in the foster care system; and

“(2) utilize such identification as a tool to notify students who are foster youth or were in the foster care system of their potential eligibility for Federal student aid, including postsecondary education programs through the John H. Chafee Foster Care Independence Program and any other Federal programs under which such students may be eligible to receive assistance.”

Similar provisions were contained in the following prior appropriation act:

Pub. L. 113-76, div. H, title III, § 310, Jan. 17, 2014, 128 Stat. 400.

DELAYED IMPLEMENTATION OF EZ FAFSA

Pub. L. 111-39, title IV, § 407(a), July 1, 2009, 123 Stat. 1950, provided that: “Notwithstanding any other provision of law, the Secretary of Education shall be required to carry out the requirements under the following provisions of section 483 of the Higher Education Act of 1965 (20 U.S.C. 1090) only for academic year 2010-2011 and subsequent academic years:

“(1) In subsection (a) of such section—

“(A) subparagraphs (A)(i) and (B) of paragraph (2);

“(B) in paragraph (3)—

“(i) the second sentence of subparagraph (A);

“(ii) clauses (i) and (ii) of subparagraph (B); and

“(iii) subparagraph (C);

“(C) paragraph (4)(A)(iv); and

“(D) paragraph (5)(E).

“(2) Subsection (h) of such section.”

§ 1091. Student eligibility

(a) In general

In order to receive any grant, loan, or work assistance under this subchapter, a student must—

(1) be enrolled or accepted for enrollment in a degree, certificate, or other program (including a program of study abroad approved for credit by the eligible institution at which such student is enrolled) leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 1094 of this title, except as provided in subsections (b)(3) and (b)(4), and not be enrolled in an elementary or secondary school;

(2) if the student is presently enrolled at an institution, be maintaining satisfactory progress in the course of study the student is pursuing in accordance with the provisions of subsection (c);(q)